



STATEMENT OF SUBSTANTIAL DEVIATION AND SIGNIFICANT AMENDMENT/MODIFICATION

In accordance with HUD regulations in 24 CFR 903.7(r) and 24 CFR 905.3, the Knox County Housing Authority (KCHA) has defined the basic criteria that will be used for determining:

- Substantial deviation from its 5-Year Plan;
- Significant amendment or modification to the 5-Year and Annual Plans; and
- Significant amendment or modification to the Capital Fund Program (CFP) 5-Year Action Plan.

Amendments, deviations, or modifications to the agency plan which fundamentally alter the mission, goals, objectives or plans of the KCHA will require formal approval from the Board of Commissioners. Prior to implementing changes that meet such criteria, the KCHA will submit for HUD's approval a revised plan(s) that meets full public process requirements.

Criteria for defining "Substantial Deviation" from the 5-Year Plan

- A change in federal law takes effect and, in the opinion of KCHA, it creates substantial obligations or administrative burdens beyond the programs under administration, excluding changes made necessary due to insufficient revenue, funding or appropriations, funding reallocations resulting from modifications made to the annual or five-year capital plan or due to the terms of a judicial decree
- All amendments, deviations, or modifications to the agency plan which fundamentally alter the mission, goals, objectives or plans of the KCHA

Criteria for defining "Significant Amendment or Modification" to the 5-Year and PHA Annual Plans

- Changes to rent, admission and/or occupancy policies, or the organization of waiting lists that will impact more than 10% of applicants or households assisted under agency programs

Criteria for defining "Significant Amendment or Modification" to the CFP 5-Year Action Plans

- Proposed demolition, disposition, homeownership, Capital Fund Financing, development, or mixed finance proposals will be considered significant amendments to the CFP 5-Year Action Plan.
- Addition of non-emergency work items not included in the current CFP Annual Statement or CFP 5-Year Action plan that exceeds \$100,000.00.

Exceptions

- Changes under the above definitions that are required due to HUD regulations, federal statutes, state or local laws/ordinances, or as a result of a declared national or local emergency will not be considered substantial deviation or significant amendment/modification
- Changes under the above definitions which are funded by any source other than federal funds will not require Plan amendment or modification
- Discretionary or administrative amendments consistent with the KCHA's stated overall mission and objectives will not be considered substantial deviations or modifications